Council Agenda # \_\_\_\_\_ Meeting of March 9, 2004



## **STAFF REPORT**

# Biannual Review of Council Priority Calendar - Step One

Honorable Mayor and Council Members:

# **Summary**

Based on direction provided by Council, staff has implemented a biannual process for reviewing and prioritizing current and proposed Council study items. Study items are one-time projects that require significant staff time and generally are placed on the Council agenda for action. The first Priority Calendar was adopted in April 2002. Now is the time for the biannual review.

A three-step process is again proposed:

- On March 9, review all current and proposed projects, seek clarification, solicit input from the public, and provide direction.
- Vote to remove any current or new projects that are not a priority for study and rank all remaining new projects on March 23.
- Review the rankings and final Project Description Forms (PDFs) and approve a six-month calendar on April 13.

The goal of this process is for Council to clearly state what their priority for study is and to prevent issues from coming up at different times and overwhelming staff without a clear sense of what is most important to the community. In exchange for this greater ability to do effective workload planning, staff will be held to a higher level of accountability for delivering on what is on the calendar when we say we will deliver it.

Attachment A is a summary of all current and proposed projects. PDFs for current projects can be found in Attachment B and in Attachment C for new projects (including "below the line" items from the last ranking). Attachment D is the current Priority Calendar, noting what has been accomplished.

Staffs recommends Council review the attachments and, after soliciting public input, discuss the issues among yourselves and provide any direction to staff in anticipation of the ranking process at the March 23 meeting.

#### **Background**

In October of 2001, staff presented Council a report that, among other things, was intended to enhance Council's understanding of the many projects and competing demands on staff time. As a result of that report, the Council Protocols were amended to establish a biannual review of

study items and a process for handling Agenda Item #9's.

The definition used for "study items" (or priority calendar items) is studies or implementation activities that -

- Require at least 20 hours of staff time (increased from 15 hours as part of the recent Protocols update)
- Are one-time in nature
- Have been directed by Council or the City Manager through specific action, including the budget
- Do not reflect the routine provision of City services
- Are mandates imposed by the state or federal government, or other funding agencies
- Are major capital improvements

In order to ensure the system captures all issues, while recognizing the limited resources available to undertake studies, the October 2001 report led to the creation of a "below the line" category of projects. These are items that are not expected to be started within the next six months. PDFs are created with the descriptions and estimated hours/cost, but due dates for the milestones are not detailed. These items are not acted on, but are kept on the master list for the next biannual review by Council. Should Council desire that staff address an issue earlier than proposed, other projects might need to be adjusted or additional resources secured.

In February 2003, Council modified the biannual process somewhat to limit the fall review; Commissions now provide input into the process once a year, in spring.

## **Discussion**

# Completed/removed projects

Since the current Priority Calendar was adopted in September 2003, the following projects have been completed or are otherwise being dropped for the reasons listed below and will be removed from tracking. As a result, these items are shown on Attachment A but not found in Attachment B.

CD04 Dagian Payiayy	Project complete
CD04 – Design Review	Project complete
CD05 – Grading Ordinance	Dealt with as part of Design Review; any
	additional issues can be addressed as part of
	muni code update by CA
CD07 – Economic Development Strategy	Study Complete. Summit held 1/24/04;
	additional report to Council in April
CD11 – Cabaret C-1 & C-2 Zoning	Project complete
PW04 – Permanent Encroachment Permits	Ordinance into effect January 2004
PW06 – Sidewalks Policy	To Council in March
PR02 – Art in Public Places Policy	Council adopted revised policy Nov. 2003
PR04 – City Playground Improvements	Project complete
FD01 – Fire Station 14 Reconstruction	Project complete
FN01 – GASB 34 Implementation	Project complete
CM01 – Personnel Rules and Regulations	Project complete

CM02 – Technology Plan Council adopted February 24, 2004 CM05 – Legislation related to Special Elections CM06 – Staffing levels Bill signed by Governor. Complete Part of budget correction(s). Ongoing

Attachment D is the current Priority Calendar, noting which items were accomplished over the past six months. While not all were completed on the planned date, 76% of the items on the Calendar for the past six months were accomplished in that timeframe. Several of those not accomplished were due to unforeseen circumstances, such as changes in the timing for 1365 Fifth Ave because the City is using the site, or staff vacancies creating resource shortages. This list also doesn't include many of the "routine" capital projects undertaken by Public Works and others

# **Project Description Forms**

One of the purposes of the Priority Calendar is to ensure Council and staff are on the same page with regard to the scope of a project and what it takes to complete it to Council's satisfaction (including timeframe). Thus, it is important that every project have a Project Description Form (PDF) reviewed by Council.

PDFs for current projects that were previously ranked by Council have been reviewed and updated as appropriate (see Attachment B). Several have been modified since the Council's last review. It is important for Council to review these and ensure the description and timeline remain acceptable. If Council wants to alter the scope or timeline for any of the current projects, direction should be provided to staff prior to ranking the new projects.

As in the past, the forms include a section for "Staff Recommendation." Generally, staff will make "No Recommendation" as the purpose of this process is for Council to set priorities and provide clear direction to staff. However, in some cases, staff will make a recommendation, in which case there is usually a brief explanation in the "Comments" section at the bottom of the page. Keep in mind staff capacity to take on new projects is limited, as first priority is for on going service delivery and then comes current projects.

# Current Issues

Generally Council reviews current issues on an exceptions basis only. They are not re-ranked every six months. However, there are several that staff wants to bring to the attention of Council.

CD01 – General Plan. It is important Council understands and supports moving forward with this project. Council will be asked whether or not it wants to move forward with the General Plan as part of the implementation options for the Economic Development study. If it does, that may impact staff's capacity to take on other items.

PR 03 – Youth in Government/Youth Commission. This item started as a request from the Arts Commission to have two youth members. Council then directed that it be expanded to explore

ways to increase youth participation in government and creating a Youth Commission. The City has not been able to connect with the School District on this issue so no progress has been made recently. Staff would like to see if Council still wants to pursue the broad issue or focus, at least at this point, solely on adding youth commissioners to the Arts Commission.

PR07 – The scoreboard issue; the Parks and Recreation Commission has taken its action, so this issue was moved to the "current" category for Community Development.

PR05 and PR08 – Patricia Wharton Park and Alameda Gateway. These two projects have been combined and are listed together on PR05.

PWXX- Shuttle Study. This was originally "below the line" but Council subsequently approved using RDA funds to do a feasibility study, so the issue is being shown as a "current" project.

### Issues to Rank

There are a total of **15 projects to rank at the next meeting**. PDFs have been drafted for each of the <u>six new</u> issues that have surfaced since the last review in September:

- ➤ Planning for PD site (CM)
- ➤ Zoning Ordinance Definitions (CD)
- ➤ Noise Ordinance (CD)
- Finance Commission Review of SCFA budget (FN)
- ➤ Paper Trails (PW)
- ➤ Public Works Commission (PW)

Previous "Below the line" items to be ranked include six in Community Development, two in Parks and Recreation, and one in Public Works. Descriptions for all the projects to be ranked can be found in Attachment C.

#### **Commission Input**

Staff sought input from the four commissions for the spring biannual review. Attachment A includes the ranking of the commissions so you have the benefit of their recommendations.

- The Planning Commission suggested one new issue "Zoning Ordinance Definitions" and ranked it #5 of all the Community Development items to be considered by Council.
- The Park and Recreation Commission recommended all the current "BLT's" stay there, and they also recommended a review of the Tree Ordinance, which is currently BTL in Community Development.
- The Arts Commission did not add any new items, but reiterated their interest in the Arts Alliance issue and also their desire to have youth members on their commission.
- The Finance Commission agreed that a review of South County Fire was an appropriate item to study.

## Biannual Review

Similar to what was done last fall, staff recommends Council adopt the process outlined below to develop the Council Priority Calendar. It is suggested that Council review all of the projects in two broad categories: current items and new items (those proposed since the last review as well as those "below the line"). Only the new items will be ranked, but Council can provide direction on the current list if it so desires. When ranking or dropping items, Council should keep in mind that staff has limited resources to take on new special projects due to current staffing levels and the workload generated by ongoing operations or projects.

## March 9 meeting

- Public input on current and proposed issues.
- Council reviews, discusses and seeks clarification on the current issues (Attachment B).
- Council reviews, discusses and seeks clarification the new items (including those "below the line"). Attachment C is PDFs for the new items.
- Council can suggest additional items they would like staff to develop PDFs for.

# March 23 meeting

- Council has any additional discussion on the issues.
- A majority vote is required to remove or to modify any current item.
- Council will then be asked if there are any new items on the list that they want to drop or modify (majority vote required). *It is important that Council use this mechanism to ensure that only true priorities are undertaken.*
- Council will then rank all the remaining new items, by department.
- We will take a short break (or move on to the next agenda item) while staff tabulates the results and then reports back to Council.

## Between March 23 and April 13

- Staff will review the list and determine how many new items can be taken on given existing budgets, staffing and workloads and what timelines are realistic for achieving them. Council should note that the first priority for staff is providing day-to-day operations, then existing special projects, so there is limited capacity for new projects.
- Timelines will be filled in for those new projects that staff propose to take on in the next six months.
- Those that can't be undertaken in the next six months will be recommended for "below the line" and will automatically come back at the next review.

#### **April 13 meeting**

- Staff will bring back the list of what we feel can be accomplished, along with completed PDFs with timelines.
- Council will have the opportunity to review and revise the list, then adopt a six-month Priority Calendar.

## Citywide Priorities

In the spring of 2002, the City Council adopted 12 issues as "citywide priorities" for 2002-2003. The intent was to highlight projects that were significant in terms of the time and resources devoted to them, as well as their impact on the community. While the goal is that *all* items on the Priority Calendar will be completed according to the timelines established, the citywide priorities are those issues (including non-Priority Calendar items) where Council and staff devote focused attention. It is also a way to show that, although we have established this biannual priority setting process, there are certain major issues that transcend the six-month timeframe and are the priorities for the Council during its entire two year tenure (even though some may take longer than 2 years to complete, significant progress is expected in that timeframe).

Staff suggests that it would be appropriate to develop a new list of citywide priorities for 2004-05 as part of Step 3 of the Priority Calendar process in April.

## **Fiscal Impact**

There is no direct fiscal impact to this report. Individual projects have cost estimates associated with them (beyond staff resources) on the PDFs and the fiscal impact of the alternatives would be discussed when the individual item is brought back to Council for action.

# Recommendation

Staff recommends Council approve the priority setting process outlined in this report and provide any appropriate direction to staff in advance of the March 23 ranking process.

# **Alternatives**

- 1. Modify PDFs in Attachment B and/or C and approve them
- 2. Modify the priority-setting process
- 3. Provide alternative direction to staff
- 4. Take no action at this time

# **Attachments**

- A. Summary (current projects, existing below the line and new to rank items)
- B. Project Description Forms for current projects
- C. Project Description Forms for new projects (including BTL)
- D. Current Priority Calendar (with completed items noted)

Respectfully submitted,	
Daniel Rich	Jere A. Kersnar
Assistant City Manager	City Manager